



# INTERNATIONAL FEDERATION OF CONSULTING ENGINEERS (FIDIC)'S GENERAL CONDITIONS OF CONTRACT (GCC) FOR CONSTRUCTION WORKS CONTRACTS

#### Introduction

The training program for this session includes the definition of the General Conditions of Contract for Construction Works prepared by the International Federation of Consulting Engineers - FIDIC - issued in 1999 and some of the amendments made in 2006 by the World Bank and multinational development banks. We will review the most important contrasting points of these conditions with the General Conditions of Contracts for Civil Engineering Works issued by the Ministry of Planning in 1987.

# Brief History of the International Federation of Consulting Engineers (FIDIC)

- The International Federation of Consulting Engineers was founded in 1913 by the French.
- It was expanded in 1945 to include 40 national federation of consulting engineers
- The first edition of the contract terms of the Red Book was published in 1957, followed by the second, third and fourth editions in the years 1963, 1977, and 1987, respectively.
- In 2007, the Federation had 73 members of national associations of consulting engineers.
- The main headquarters is located in the city of Geneva in Switzerland and the administrative staff is of five people, who could be contacted on the number +41 22 7994900

# Brief History of the International Federation of Consulting Engineers (FIDIC)

- Director of the Federation Enrico Fink.
- The General Director of the Federation Peter Boswell.
- The President of the Federation, who is elected by the Executive Council, composed of seven members of the international federations, for a presidency lasting for two years.
- The website of the Federation: www.fidic.org
- Publications can be viewed on the website: fidic.org.pub

# Brief History of the International Federation of Consulting Engineers (FIDIC)

- Before 1957 there were no conditions for a contract for the implementation of internationally recognized works contracts.
- In 1957, the first edition of the terms of a contract for the implementation of civil engineering works defined in the Red book was launched.
- The Red Book adopted the British version of the contracts used by the Institution of Civil Engineers, which reflected the British traditions, in terms of language and legal system.
- International Federation of Consulting Engineers maintains committees to develop the documents.
- Establishing the terms of a new contract in conformity with the implementation of other works contracts.

### The Main Traditional Terms of the Contract Issued Prior to 1999:

- The Red Book: the Conditions of Contract for the implementation of civil engineering works contracts, the fourth edition of 1987 which has been re-printed in 1992 (parts I and 2).
- The White Book: the beneficiaries and the consulting service providers contracts Model for advisory services agreements contracts (third edition of 1998).
- The Yellow Book: the conditions for the implementation of electrical and mechanical works contracts (third edition of 1987).
- The Orange Book: the Conditions of design, work implementation and turnkey (first edition of 1995).

# Reasons behind the establishment of the International Federation of Consulting Engineers by issuing a new collection of documents and as follows:

- The expansion of the types of projects that require to be covered by terms of the contract, which reflects the need for change by the global construction sector.
- Attempt to unify the form of documents for major contracts issued by FIDIC.
- The development of new materials and modernization of some of the material to suit the modern practices of the construction industry sector.
- Reinvigorating the role of the engineer and develop the use of dispute resolution Council.

#### The documents of the New contract conditions of the International Federation of Consulting Engineers FIDIC the first edition in September 1999 are:

• The Red Book: designated for the general conditions of contracts for the implementation of work.

General Conditions for Construction Contracts

• The Yellow Book: designated for the general conditions of contracts for the design and the implementation of the work.

General Condition for Plant, Design and Plant contracts

• The silver book: designated for the general conditions of contracts for the implementation of work and the manner of turnkey.

General Condition for EPC/Turnkey Contracts

• The Green Book: designated for the general conditions of contracts for the implementation of work and small-sized enterprises.

General Condition for Short Form Contracts

# Cooperation between FIDIC and Multilateral Development Banks and the World Bank

- 1. The multilateral development banks relied on the General Conditions of Contract for Construction Works in the contracts entered into the adoption of funding for its staidness.
- 2. In 2005, the first edition of the Red Book that was updated in coordination with the multilateral development banks was issued as many amendments were carried on it in 2006.

# Cooperation between FIDIC and Multilateral Development Banks and the World Bank

- 3. In 2007 the World Bank adopted the terms of the contract in (2) above in its standard documents adopted contracts financed by it.
- 4. In 2010 another amendment was carried on the Red Book in coordination between FIDIC and the multilateral development banks.

# International Federation of Consulting Engineers FIDIC recommends the use of the Red Book (Conditions of Contract for the contracts of design and work implementation):

• For building projects contracts and measurable engineering works designed by the (Employer), or by his representative (the engineer) according to the structure of these contracts, the contractor shall implement the works according to designs provided to him by the employer. However, the work may include some of the parts that are being designed by the contractor whether they were mechanical, electrical, mechanical or design of any of the implementation activities.

# International Federation of Consulting Engineers FIDIC recommends the use of the Yellow Book (General Condition for Plant, Design and Plant contracts)

For project contracts to be implemented on the basis of the lump sum which are used for the implementation of infrastructure projects (power stations, electric conversion stations and large water filter or heavy water-treatment plants...etc.), in accordance with the requirements and detailed standards prepared an employer/Contracting party and technical specifications and initial designs, if any.

# International Federation of Consulting Engineers FIDIC recommends the use of The Yellow Book (General Condition for Plant, Design and Plant contracts)

The contractor's responsibility is to secure the mechanical and electrical supplies and design and implement buildings and engineering work. According to the structure of these contracts, the contractor shall make the designs and issue them in accordance with the employer's requirements with respect to the mechanical equipment or any other work that may include any combination of civil, electrical, mechanical or construction works.

# International Federation of Consulting Engineers FIDIC recommends the use of The Silver Book (General Condition for Turnkey Contracts)

Project contracts on the basis of a lump sum designated for the private industrial processes or produce big energy, plants or similar facilities. Or for infrastructure projects that the employer had no idea about their technical requirements when there is need to the following:

- I. The high accuracy ensure of the validity of the price and time needed for the implementation.
- 2. The Contractor shall be fully responsible for the preparation of designs and implementation of the project with little interference from the employer.

# International Federation of Consulting Engineers FIDIC recommends the use of The Silver Book (General Condition for Turnkey Contracts)

According to the formula of turnkey contracts the Contractor shall carry out all of the engineering designs of the operations or production lines, detailed design of the facilities, mechanical and electrical services, and providing materials, mechanical fittings, work implementation and thus providing an integrated origin ready for action when handing the key to the origin.

International Federation of Consulting Engineers FIDIC recommends the use of The Green Book (Terms of the contract for the implementation of work contracts and small-sized enterprises):

For the contracts of building projects or small-sized engineering projects. Depending on the nature of works and the, it is also possible It to use this book for projects with greater cost whether those projects were of simple uncomplicated buildings or low-cost, simple projects but frequent or for short implementation period And pursuant to this structure of these contracts the contractor shall implement the work according to the equipped designs by the employer or his representative (if any). But it is possible to use the terms of this contract for contracts in which, the responsibility of the contractor is to design partially or totally civil, mechanical and electrical work or the implementation of the work.

# General: The Implementation of the Work Implementation Contracts in one of the Following Contracting Methods

- A. General Competitive Bidding
- B. Limited Competitive Bidding
- C. Direct Invitation
- D. Two stage Bidding
- E. Single Source Direct Invitation

### Tenders of Contracts of Works are Implemented as Follows:

	The tender method	The kind of contract
	Whether through General competitive Bidding or Limited competitive Bidding	Work implementation contracts construction Contracts
	Whether through General competitive Bidding or Limited competitive Bidding	<ul> <li>Design contracts and work implementation</li> <li>Plant, Design and Build Contracts</li> </ul>
1.	Limited competitive Bidding method or the Two Stage Bidding (that could be preceded by prequalification into three stages)	<ul><li>Work turnkey contracts</li><li>EPC/Turnkey Contracts</li></ul>

### The Red and the Yellow Book Include the Following Documents:

- Thanks and appreciation.
- The introduction and attached graphs that illustrate the sequence and timing of events set out in General Conditions.
- The General Conditions of Contract attached by the general conditions of the Convention for conflicts resolution.
- The guide designated to the way of preparing special conditions, and including models of possible dependence guarantees (bid guarantee and ensure good performance and ensure the down payment and secure the release of the second batch of cash deductions, etc.)
- The bid form the Convention of the contract model, a modal the Convention of forming a board for of dispute resolution.
- The contract attachment. (the contract data).

### A Comparative Table that Illustrates the Differences in the Materials of the Three Conditions

General conditions of contracts for turnkey work	General conditions of contracts for the design and the work implementation	General Conditions of Contract for Construction Works	Article
Employer's representative	The engineer	The engineer	3
Designs	Designs	Subcontractor	5
The examination at the completion	The examination at the completion	Measurement	12

#### The Main Principals in the Red Book

- Designs are the responsibility of the employer or his representative.
- It requires to re-measure work after the implementation.
- The employer sets the engineer to manage the contract on his behalf.
- The engineer has the right to make changes in the work, but without the contract's modification.
- Dispute resolution board is set after the 28th before the date of commencement.

As he shall have the power of decision-making in resolving differences and make an adjustment on the engineer estimates.

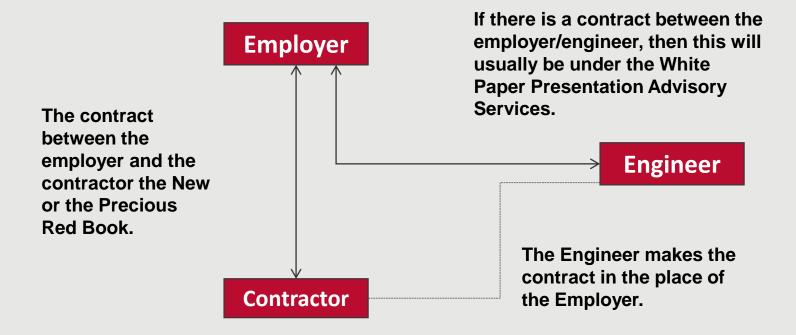
#### The Main Principals of the Yellow Book

- The employer shall provide the contractor party with works requirements that are called the requirements of the employer.
- That the employer requirements are the basis to the contractor to prepare designs and projects implementation. The bugs included in employer's requirements are the responsibility of the employer.
- The contract is based on the total amount provided by the contractor and not under the priced quantities tables.
- The contract is managed by the engineer on behalf of the employer.
- The Engineer makes a change proposal.
- The council of disputes resolution is appointed as necessary.

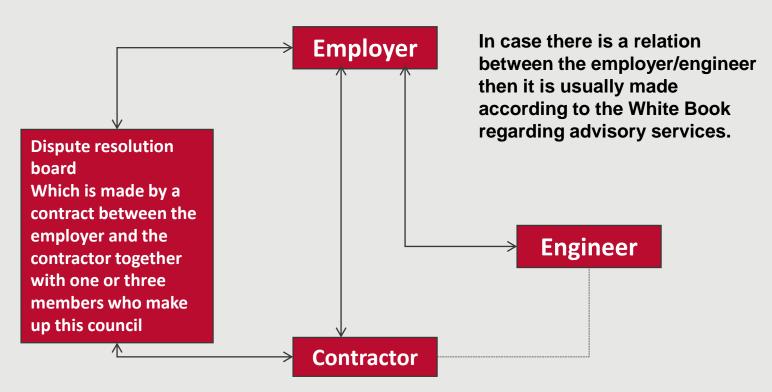
#### The Main Principals of the Silver Book

- The employer shall provide the contractor with his general requirements, as it comes to the required energies and products specifications, automation size and any preliminary information on the type of raw materials and available services.
- The contract is based on the total amount provided by the contractor in the light of the technical proposal accepted by the employer.
- The management of the contract is done by the employer.
- No change can be made on the contract unless there was a change in the requirements by the employer.
- The dispute resolution board is appointed whenever it is necessary
- The responsibility for the provisions of job quality and quality of the material lies with the contractor.
- The employer may monitor the progress and the quality of the work through his representatives for the purposes of estimating periodic advances only.

#### Traditional Relations Between Members



#### The Recent Relations Between the Members



The Engineer makes the contract in the place of the Employer.

#### Risk Analysis in the Contracts Represented in each of the Red, Yellow, and Silver Books

The company's risk - O The contractor's risk -V The employer's risk -X				
The Silver Book	The Yellow Book	The Red Book	The risk description	Article/ Paragraph
-	-	x	Late issuance of schemes and instructions	1.9
V	x	-	Errors in the employer's requirements	1.9 The Yellow Book
x	Х	x	Access to the site	2.1
V	X	x	-dimensional installing under main coordination	4.7
V	0	0	Unforeseen circumstances	4.12
x	x	x	Archeology and paleontology at the site	4.24
x	X	x	Delay in the examination of the employer	7.4
V	٧	٧	Rejection of materials and machine fittings failed at the inspection	7.5
V	V	٧	Repair of defective acts	7.6

#### Risk Analysis in the Contracts Represented in each of the Red, Yellow, and Silver Books

	The comp	any's risk - O The cor	ntractor's risk–V The employer's risk -X	
The Silver Book	The Yellow Book	The Red Book	The risk description	Article/ Paragraph
0	0	0	Extend the duration of the contract completion	8.4
V	O	0	Exceptional adverse weather conditions	8.4
х	0	0	Delays happening because of authorities	8.5
V	V	V	The consequences of delaying the rate of work progress	8.6
Х	х	Х	The consequences of work suspension	8.9
V	V	V	Failure to pass the examination at the completion	9.4
V	V	V	Failure to repair defects	11.4
-	-	х	Cancellations (reduction or cancellation clause quantities in the bill of quantities)	12.4 The Red Boo
V	V	-	Failure to pass the examination at the completion	12.4 The Yellow Bo

#### Risk Analysis in the Contracts Represented in each of the Red, Yellow, and Silver Books

The company's risk - O The contractor's risk -V The employer's risk -X				
The Silver Book	The Yellow Book	The Red Book	The risk description	Article/ Paragraph
0	0	0	Delays procedures	13.3
0	0	0	Adjustments due to changes in legislation	13.7
V	V or x	V or x	Adjustments due to a raise in the prices	13.8
V	х	х	Late payments	14.8
V	V	V	Payment after the termination of the contract	15.4
0	0	0	The compensation	17.1
х	х	х	The consequences of the risks of the employer	17.4
х	х	Х	The consequences of the majeure force	19.4
х	х	х	the contractor demands	20.1

### Comparison of the Major Features of the Three Contracts

The work turnkey	The work design and implementation	Work implementation
It is preferred for the industrial projects, energy production, laboratories, infrastructure or any other similar projects if:  1- it was called upon the control of the cost and the final duration of the project  2- the contractor carry full responsibility for the design and implementation of the project	It is preferred for the projects of power stations or mechanical installations and buildings with high engineering services where responsibility for the work design is of the contractor or any advisory party which represents him.	It is Preferred to adopt of the buildings and engineering designs contracts that most of the responsibility for the work designs have been completed by the employer or by an advisory party which represents him.
The contract becomes effective when Signing the agreement contract  Adoption of the transmittal letter, when the tender documents include a reference to the issuance of transmittal letters	The contract becomes effective when the employer issues a transmittal letter to the contractor The contract becomes effective when the employer issues a transmittal letter to the contractor	The contract becomes effective when the employer issues a transmittal letter to the contractor In the case of non-issuance of transmittal letter then the permeability of the contract is approved from the date of signing the agreement contract
The Contract management will be from the employer (Unless a representative was named to do so) who have to seek to resolve any submitted claims by the contractor.  In the case of a of a dispute, then it shall be referred to the Dispute Resolution Council	The Contract management will be from the engineer appointed by the employer and if there is a dispute then it shall be forwarded to the Dispute Resolution Council The engineer can resolve the conflict on behalf of the Conflict Resolution Council if it was indicated in the Bidding Documents	The Contract management will be from the engineer appointed by the employer and if there is a dispute then it shall be forwarded to the Dispute Resolution Council The engineer can resolve the conflict on behalf of the Conflict Resolution Council if it was indicated in the Bidding Documents

### Comparison of the Major Features of the Three Contracts

The work turnkey	The work design and implementation	Work implementation
The Contractor's responsibility will be to provide Mechanism fittings and designs work implementation fully ready to run under the contract, which includes the specific technical proposal in the its bid and the employer's requirements.	The Contractor's responsibility will be to provide Mechanism fittings and designs (except for the ones provided in the contract) the implementation of all of the work, under the contract, which includes his proposal for the implementation and the employer's requirements	The Contractor's responsibility will be the implementation of the work under the contract documents (and what it includes as diagrams and specifications) and the engineer's guidance as his responsibility is limited in designs specified in the contract (if any)
The disbursements of interim and final advances without any authentication, but by relying on the payments schedule  In the case of the adoption of other ways of calculating then the advances shall be referred to in the Special Conditions	interim and final advances shall be endorsed by the engineer, which are determined based on the payments schedule  In the case of the adoption of other ways of calculating then the advances shall be referred to in the Special Conditions	interim and final advances shall be endorsed by the engineer, which are determined based on the real traversed executed work, prices and the amounts specified in the quantities tables or any other table In the case of the adoption of other ways of calculating then the advances shall be referred to in the Special Conditions
Disproportionately, the general conditions in the majority of these contracts are put on the responsibility of the contractor. It requires the employer to provide the bidders with adequate information on all hydrological tests and the nature of the land and any data related to the nature of the work and give them enough time to review such data and information and the consequent risk on them	The General Conditions distributes the risks between the parties in a fair and balanced foundations taking into consideration matters such as the lack of clarity and the staid foundations in project's management and the ability of each party to anticipate the risks to occur before they take place and the treatment of the consequences and the impact of those risks	The General Conditions distributes the risks between the parties in a fair and balanced foundations taking into consideration matters such as the lack of clarity and the staid foundations in project's management and the ability of each party to anticipate the risks to occur before they take place and the treatment of the consequences and the impact of those risks

# First – The General Conditions for the Contracts of the Implementation of Works Contracts (Red Book)

#### I. General Provisions

- I.I Definitions
  - The Contract
  - "Contract Data"
  - "Employer"
  - "Engineer"
  - Dispute Resolution Board
  - Base Date
  - Time for Completion
  - Unforeseeable
  - Goods Requirements
  - Plant

#### I. General Provisions

- 1.2 Interpretation
- 1.3 Communications
- 1.4 Law and Language
- 1.5 Priority of Documents
- 1.7 Assignment
- 1.9 Delayed Drawings or Instructions
- 1.10 Employer's Use of Contractor's Documents
- 1.11 Contractor's Use of Employer's Document
- 1.12 Confidential Details
- 1.13 Compliance with Laws
- 1.14 Joint and Several Liabilities
- 1.15 Inspections and Audit by the Employer

#### 2. The Employer

- 2.1 Right to access to the site
- 2.2 Permits, Licenses or approvals
- 2.3 Employer's personnel
- 2.4 Employer's financial arrangements
- 2.5 Employer's claims

#### 3. The Engineer

- 3.1 Engineer's Duties and Authority
- 3.2 Delegation by the Engineer
- 3.3 Instructions of the Engineer
- 3.4 Replacement of the Engineer
- 3.5 Determinations

#### 4. The Contractor

- 4.1 Contractor's General Obligations
- 4.2 Performance Security
- 4.3 Contractor's Representative
- 4.4 Subcontractors
- 4.5 Assignment of Benefit of Subcontract
- 4.6 Co-operation
- 4.7 Setting Out
- 4.8 Safety Procedures
- 4.9 Quality Assurance
- 4.10 Site Data
- 4.11 Sufficiency of the Accepted Contract Amount
- 4.12 Unforeseeable Physical Conditions (barriers beyond the control of the contractor)

#### 4. The Contractor Continued

- 4.13 Rights of Way and Facilities
- 4.14 Avoidance of Interference
- 4.15 Access Route
- 4.16 Transport of Goods
- 4.17 Contractor's Equipment
- 4.18 Protection of the Environment
- 4.19 Electricity, Water and Gas
- 4.20 Employer's Equipment and Free-Issue Materials
- 4.21 Progress Reports
- 4.22 Security of the Site
- 4.23 Contractor's Operations on Site
- 4.24 Fossils

#### 5. Nominated Subcontractors

- 5.1 Definition of "nominated Subcontractor"
- 5.2 Objection to Nomination
- 5.3 Payments to nominated Subcontractors
- 5.4 Evidence of Payments

#### 6. Staff and Labor

- 6.1 Engagement of Staff and Labor
- 6.2 Rates of Wages and Conditions of Labor
- 6.3 Persons in the Service of Employer
- 6.4 Labor Laws
- 6.5 Working Hours
- 6.6 Facilities for Staff and Labor
- 6.7 Health and Safety
- 6.8 Contractor's Superintendence
- 6.9 Contractor's Personnel
- 6.10 Records of Contractor's and Equipment Personnel
- 6.11 Disorderly Conduct

#### 6. Staff and Labor Continued

- 6.12 Foreign personnel
- 6.13 Supply of foodstuffs
- 6.14 Supply of water
- 6.15 Measures against Insect and Pest nuisance
- 6.16 Alcoholic liquor or drugs
- 6.17 Arms and ammunition
- 6.18 Festivals and religious rituals
- 6.19 Funeral arrangements
- 6.20 Prohibition of forced or compulsory labor
- 6.21 Prohibition of harmful child labor
- 6.22 Employment records of workers

#### 7. Plant, Materials and Workmanship

- 7.1 Manner of implementation
- 7.2 Samples
- 7.3 Inspection
- 7.4 Testing
- 7.5 Rejection
- 7.6 Remedial Work
- 7.7 Ownership of Plant and Materials
- 7.8 Royalties

#### 8. Commencement, Delay and Suspension

- 8.1 Commencement of Works
- 8.2 Time for Completion
- 8.3 Work Program
- 8.4 Extension of Time for Completion
- 8.5 Delays Caused by Authorities
- 8.6 Rate of Progress
- 8.7 Delay Damages

## 8. Commencement, Delay and Suspension Continued

- 8.8 Suspension of Work
- 8.9 Consequences of Suspension
- 8.10 Payment for Plant and Materials

#### In the Event of Suspension

- 8.11 Prolonged Suspension
- 8.12 Resumption of Work

#### 9. Tests on Completion

- 9.1 Contractor's Obligations
- 9.2 Delayed Tests
- 9.3 Retesting
- 9.4 Failure to Pass Tests on completion

#### 10. Employer's Taking-Over

- 10.1 Taking Over of the Works and Sections
- 10.2 Taking over of parts of the Works
- 10.3 Interference with tests on completion
- 10.4 Surfaces requiring reinstatement
- 10.5 Work shall be delivered to its former position.

#### 11. Defects Liability

- 11.1 Completion of Outstanding Work and Remedying Defects
- 11.2 Cost of Remedying Defects
- 11.3 Extension of Defects Notification Period
- 11.4 Failure to Remedy Defects
- 11.5 Removal of Defective Work
- 11.6 Further Tests
- 11.7 Right of Access
- 11.8 Contractor to Search
- 11.9 The certificate of the final work delivery (Performance Certificate)
- 11.10 Unfulfilled Obligations
- 11.11 Clearance of Site

#### 12. Measurement an Evaluation

- 12.1 Works to be measured
- 12.2 Method of Measurement
- 12.3 Evaluation
- 12.4 Omissions

#### 13. Variations and Adjustments

- 13.1 Right to Vary
- 13.2 Value Engineering
- 13.3 Variation Procedure
- 13.4 Payment in Applicable Currencies
- 13.5 Provisional Sums
- 13.6 Day work
- 13.7 Adjustments for Changes in Legislation
- 13.8 Adjustments for Changes in Cost

#### 14. Contract Price and Payment

- 14.1 The Contract Price
- 14.2 Advance Payment
- 14.3 Application for Interim Payment Certificates
- 14.4 Schedule of Payments
- 14.5 The Works Plant and Materials intended for
- 14.6 Certificates Issue of Interim Payment
- 14.7 Payment
- 14.8 Delayed Payment
- 14.9 Payment of Retention Money
- 14.10 Statement at Completion
- 14.11 Application for Final Payment Certificate
- 14.12 Discharge
- 14.13 Issue of Final Payment Certificate
- 14.14 Cessation of Employer's Liability
- 14.15 Currencies of Payment

#### 15. Termination by Employer

- 15.1 Notice to Correct
- 15.2 Termination by Employer
- 15.3 Valuation at Date of Termination
- 15.4 Payment after Termination
- 15.5 Employer's Entitlement to Termination for Convenience
- 15.6 Corrupt or Fraudulent Practices

#### 16. Suspension and Termination by Contractor

- 16.1 Contractor's Entitlement to Suspend Work
- 16.2 Termination by Contractor
- 16.3 Cessation of Work and Removal of Contractor's Equipment
- 16.4 Payment on Termination

#### 17. Risk and Responsibility

- 17.1 Indemnities
- 17.2 Contractor's Care of the Works
- 17.3 Employer's excluded Risks
- 17.4 Consequences of Employer's Risks
- 17.5 Intellectual and Industrial Property Rights
- 17.6 Limitation of Liability
- 17.7 The Use of Employer's accommodation/Facilities

#### 18. Insurance

- 18.1 General Requirements for Insurance
- 18.2 Use of Employer's Accommodations/Facilities
- 18.3 Insurance against injury to persons and damage of property
- 18.4 Insurance for contractor's personnel

#### 19. Force Majeure

- 19.1 Definition of Force Majeure
- 19.2 Notice of Force Majeure
- 19.3 Duty to Minimize Delay
- 19.4 Consequences of Force Majeure
- 19.5 Force Majeure Affecting Subcontractor
- 19.6 Optional Termination, Payment and Release
- 19.7 Releases from Performance

#### 20. Claims, Disputes, and Arbitration

- 20.1 Contractor's Claims
- 20.2 Appointment of the Dispute Board
- 20.3 Failure to Agree on the Composition of the Dispute Board
- 20.4 Obtaining Dispute Board's decision
- 20.5 Amicable Settlement
- 20.6 Arbitration
- 20.7 Failure to Comply with Dispute Board's Decision
- 20.8 Expiry of Dispute Board's Appointment

## Second – Particular Contract Conditions

#### Particular Conditions are made of two parts:

Part A: includes the Contract Data.

**Part B:** includes particular conditions, which either have been developed and need to be added to the contract, any amendment to any of the terms of the contract requires the resulting of the issuance of legislations which contradict or limit those terms, which requires modifying the relevant text of the general conditions in line with the new legislations.

[insert the name of the bidder]		[insert the name of the project]
Determinants	Article number in the General Terms of the Contract	data
[insert the name of the employer] [Insert his address including phone number, e-mail, his location on the International Network + Fax]	1.1.2.2 And 1.3	The employer: His/her address:
[Insert the name of the engineer] [Insert his address, phone number and e-mail]	1.1.2.4 And 1.3	The engineer His/her address
[ ] Days. If the work was divided into several parts a table shall be referenced to as a duration summary of the completion of each part	1.1.3.3	The completion period

[ ] Calendar days	1.1.3.7	Repair of defects period (maintenance)
If the work was divided into several parts then a table shall be referenced with the Work parts	1.1.5.6	Parts of the work
	1.3	Giving bids electronically
[Insert the law governing the contract]	1.4	The law governing the contract
[Insert the language (s) approved] [Insert the language (s) approved]	1.4 1.4	Approved language in the contract Contact language
Insert the date	1.6	The date of concluding the contract

The date of the site receipt shall be before the date of commencement, with the exception to the parts set out later (if applicable So, with a detailed description of these parts: days after the date of commencement.		2.1	The date of delivering the site
[Insert the date of the site receipt]	[Insert the Work parts]		
_	lead to the increased y (%) requires the mployer	3.1.b. (ii)	The Engineer's authorities and duties

Ensure the proper performance form of a bank guarantee worth] Insert the percentage represented by the accepted value of the contract with the same currency/es of the accepted value of the contract	4.2	Ensure good performance (technical)
(insert the daily working hours)	6.5	Ordinary work hour
(insert the amount of the delay fine per day) If the contract included delivery of parts of the project in phases then the table shall note at the end of the data	8.7 And 14.15 b	Compensation Delay (The delay fine)
% Of the amount of the final contract	8.7	The upper limit for delay fines
(In the case there is the standby amount insert its value in the contract's amount)	13.5 b (ii)	Standby amounts
The time period to review the prices (insert the appropriate time period to review the pricing)	13.8	Adjustments due to cost variants

% Of the amount of the contract accepted currencies and removable parts of the amount of the accepted contract] insert the number and date of payments if they were in force.	14.2	Upper limit of the advance payment
[Insert the date for the recovery of the first installment] [insert the Recovery percentage] [insert the date to retrieve the latest installment]	14.2b	Recover Advance payment
%	14.3	The percentage of the monetary deductions
% Of the amount of the accepted contract	14.3	The limits of the monetary deductions
In case of adoption of paragraph 14 \ 5 Included a list of equipment and materials to pay for it when charging:	14.5b (i)	Equipment and materials used in
Included a list of equipment and materials to pay for it at their arrival to the site:	14.5 c (i)	the work

		1
Insert the type of damage covered by the payment in accordance with the specific payment rates over the currencies	14.15b (i)	The payment currencies
[Insert% of the value of the accepted contract]	14.6	Minimum interim payments
[insert the name of the financial institution]	14.8	The party name that issues the annual discount rate for purposes of determining the amount of funding the expenses for the delay in interim payments disbursement
Choose one of the alternatives described later [The multiplication of plants, less or more than one [in the value of contract accepted, or ] insert the value of the higher-end of the contractor commitment]	17.6	The maximum aggregate liability incurred by the contractor towards the employer
Insert the specified period to provide the special insurance documents, insurance policy. Period ranging from 14-28 days	18.1	Provide insurance policies A- Support for conducting insurance B- Insurance policies

[Insert the upper limit of the amount of discounts]	18.2d	The upper limit for the amount of discounts in the insurance for the risk for damages caused by the work of the employer for any part of the work.
[Insert the amount of insurance for third party]	18.3	The minimum amount of insurance for the risk of third party
28 days from the date of commencement	20.2	The appointment of dispute resolution board Period
Either one member [ ] Or three members [ ]	20.2	The formation of dispute resolution board
Only when the dispute resolution Board is composed of one person Include a list of accredited experts and if more than one person]	20.2	A list of accredited experts of the Council of dispute resolution
[Enter the party that is resorted to for the nomination of experts for the Council of dispute resolution]	20.3	The body that appoints the members of the Board of resolving disputes in the absence of agreement between the parties
[Enter the rules adopted in the arbitration]	20.6a	Procedural rules for arbitration
[Enter the place of the arbitration ruling and the law]	B 20/6	Arbitration

# Table: Summary Constituent Parts of the Works

The fine delay under paragraph (8\7)	The completion date of the part under paragraph (1\1\3\3)	Part name\its description under paragraph (I\I\5\6)

# Article 14.1 the contract's value (Alternative text of paragraph (h))

In addition to the provisions specified in paragraph (b). The contractor equipment and the basic backup materials imported exclusively for the purposes of implementation of the project are subject to a temporary exemption from tax and customs duties when entering for the first time, but the Contractor shall entrust the authorities of customs at ports or border points a bank guarantee with an enforced export guarantee until the accomplishment of the contract plus a six-month amount equal to the full amount of payable customs duties and taxes for the equipment and spare material of failure of the contractor to be export them.

#### Article 14.1 contract value

Outside Iraq, upon the completion of the contract, the Contractor shall provide a copy of this sponsorship certified by the Customs Authority to the employer the moment of entering any of the various implementation equipment and the spare materials belonging to Iraq, as the contractor shall in case of re-export of any equipment, materials backup this or upon completion of the contract provide a manifest with the value of such equipment and spare materials with its subsequent status to the Customs Authority to be issued, in accordance with the criteria and other criteria used by the Customs Authority for this purpose in accordance with the laws in force.

#### Article 14.1 contract value

The Contractor shall be charged with the tax and payable customs duties on the implementation equipment and its spare materials as follows:

- A. The difference between the value of the equipment and the spare materials when entering Iraq for the first time and their value when exported outside Iraq.
- B. the value of the equipment and spare material by placing them upon their entry to Iraq for the first time in the case of keeping them inside Iraq and not to export them after the completion of the contract.
- C. In case of paying taxes and customs' duties for any of the equipment and spare materials required by the Contractor within 28 days of being claimed by the Customs Authority, the amount of the bank guarantee shall be reduced to guarantee the export of the equipment and the spare materials exported outside Iraq, otherwise, the guarantee amount will be retained in full by the Customs Authority.

#### **Article 6-23 Labor organizations:**

(Paragraph added to Chapter VI of the General Conditions of the contract) The Contractor shall commit and comply with the provisions of the Labor and enforced Social insurance law in Iraq, including the rights of workers to join and to choose their professional syndicates.

#### **Article 6-24 Non-discrimination and equal opportunity:**

(the paragraph shall be add to chapter VI) The contractor may not issue employment decisions based on personal specifications that have nothing to do with professional requirements. The principle of equal opportunity and justice in the appointment of staff, non-discrimination and nepotism in labor relations in relation to the determination of wages, incentives, working conditions, training or entertainment opportunities, termination of contract, waiver or refinement. And shall act in accordance with national labor laws to meet the requirements of this paragraph, any measures taken by the contractor to rectify any prior favoritism shall not be considered a case of discrimination.

#### Third: Convention on Contract

This agreement is done in [Enter the day, month, year] [between the first party] Enter the contracting party and its address (which is named the employer below) and the second party [Enter the name and address of the contractor] [since the employer wishes the contractor to execute the works specified in the contract] Enter the name and number of the contract [The employer has agreed to tender the contractor to carry out and complete this work and to remedy any defects therein.

#### Third: Convention on Contract

#### The two parties have agreed that:

The meanings of the words and phrases contained in this Agreement shall have the same meaning as those contained in the Contract Documents. Each of the documents listed below is deemed to constitute, be read and interpreted as an integral part of this Contract Agreement, and this Contract Agreement shall prevail over all other documents of the Contract.

- I- Particular Conditions of Contract.
- 2- General Conditions of Contract.
- 3- Charts.
- 4- Full tables.
- 5- Specifications.

#### Third: Convention on Contract

#### **Tender letter**

Amendments to the tender letter numbered ...... (if any).

The contractor commits to carry out the work, completing it and treat any defect in any manner in accordance with the requirements and terms of the contract, in return for the amounts paid by the employer to him, as specified in the contract agreement.

The Employer undertakes to pay the contractor for the implementation and completion of the work and to deal with any defect in the value of the contract or any other due amount under the provisions of the contract in the times and methods provided in the contract.

The parties who have held such agreements shall witness their implementation under the applicable laws [enter the number of laws and date thereof] on the day, month and year referred to above.

Signature ...... [Enter the name, title and address of the Employer's representative

Signature ......[Enter the name, title and address of the Employer's representative ]

# Fourth: Letter of Acceptance (Notification of the Assignment)

[Written on paper with the logo of the employer]

[Enter number]

[Enter Date]

To: (Contractor's name and address)

M/assignment works] Enter the number and definition of the contract and address

We would like to inform you about the approval on your bidding dated in [Enter the date to execute the works] The name of the contract and its number as specified in the contract data and the value of the contract accepted [Enter the amount in numbers and words Enter the currency] as corrected and amended according to the instructions to bidders which were accepted.

# Fourth: Letter of Acceptance (Notification of the Assignment)

Please take a good look and provide us with a good performance guarantee within 28 days from the date of the acceptance letter above and in accordance with the form specified in chapter 9 (attached to the special conditions for the contract and the contract forms in the tender documents). We enclose herewith a copy of the contract agreement form.

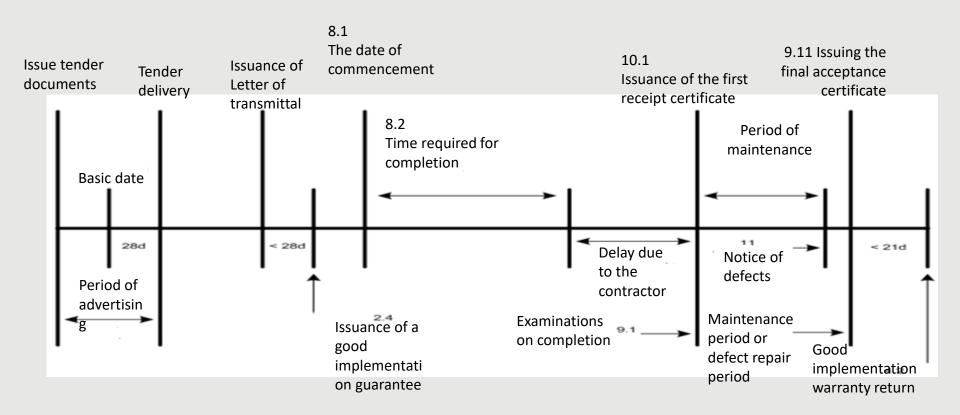
With respect.

Accompanying

Contract Agreement Form

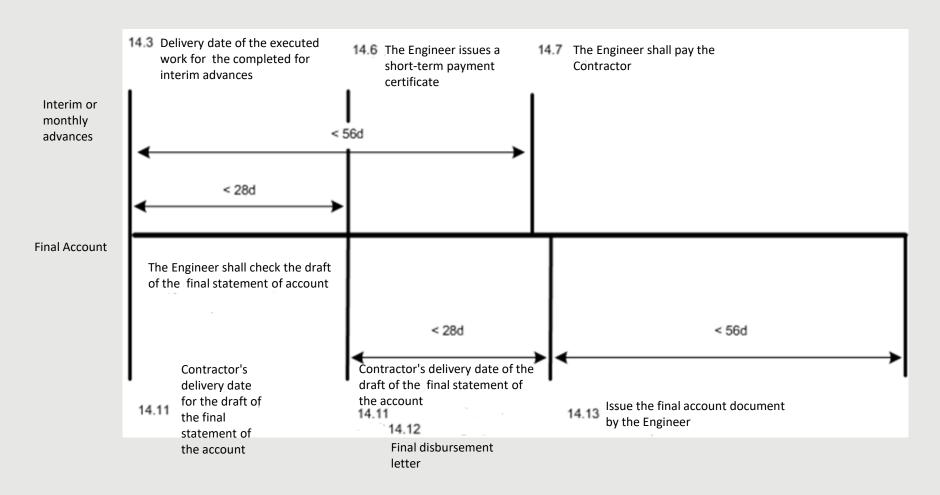
Authorized Signature:
Name and Title of the Person Signing:
Business Owner's Name:

## Main Sequence of the Events During the Works Contracts

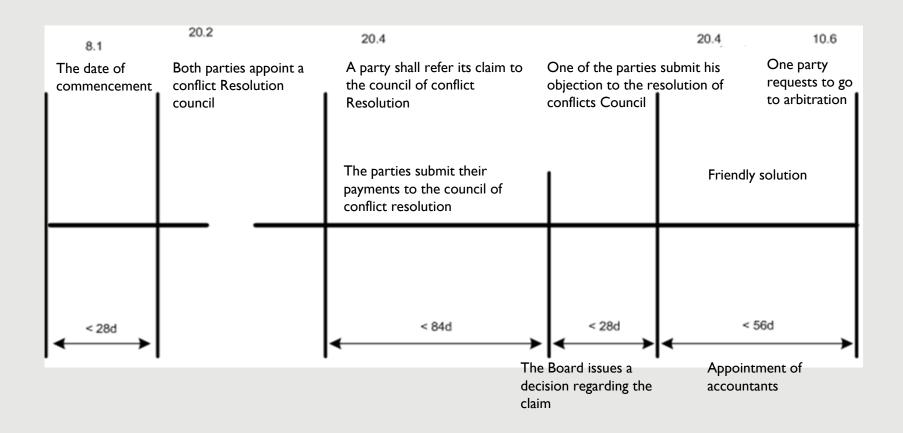


- 1. The extent of completion of the contract as specified in the contract data in days, and any extensions added by paragraph 8 \ 4
- 2. The graph is illustrating the sequence of events in case the contractor fails to complete the contract within the completion period under paragraph 8/2 of the General Conditions
- 3. Maintenance period must be specified in the contract Banat days, and any extension of it under paragraph 11 \ 2

# The Sequence of Payment Procedures as Specified in Article 14



## The Sequence of Events for Resolving Disputes as Defined in Article 20



The types of claims and the party who deserves them among the parties of the contract and the terms of the general conditions in relation with the contract of the implementation of the three work (implementation of work, design and implementation of work, turnkey work)

En	mployer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
		The Contractor shall be entitled to extend the contract term and the amount of compensation for any expenses incurred with a margin profit in case the Engineer fails to issue the instructions within an appropriate period of notice	Delay issuing plans or instructions	implementation of work	9-1
		The Contractor is entitled to extend the contract term and the amount of the compensation for any expenses incurred with a margin profit due to errors in the employer's requirements that were not previously discovered	Errors in employer requirements	design and implementation	9-1

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Articl e No:
	The Contractor is entitled to extend the Contract Term and the amount of compensation for any expenses incurred with a margin profit due to the failure of the Employer to deliver the Site to the Contractor within the time period specified in the Contract.	Access to the site	implementation of work design and implementation of work, turnkey work	2-1
The procedures to be followed by the employer when demanding any payments from the contractor or his request to extend the maintenance period when the contractor fails to repair the works in the works		The Employer's claims	implementation of work design and implementation of work, turnkey work	5-2
	The Contractor shall be entitled to extend the contract term and the amount of compensation for any expenses incurred with a profit margin due to errors in events and the basic levels that need to be followed and processed by the employer.	Install dimensions	implementation of work design and implementation of work, turnkey work	7-4

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The contractor is entitled to extend the contract term and the amount of compensation for any expenses incurred If he was subjected to physical conditions that could not reasonably be expected even by an experienced contractor.	Unforeseen physical conditions (obstacles beyond the contractor's will)	implementation of work design and implementation of work,	4-12
The Employer shall be entitled for a payment from the Contractor for the Contractor's use of electric power, water and any other services provided by the Employer without a prior notice in accordance with paragraph 5-2.		Electricity, Water and Gas	implementation of work design and implementation of work, turnkey work	19-4
The employer shall be entitled for a payment from the contractor for the contractor to use the materials supplied by the employer without notice in accordance with paragraph 5-2.		Equipment and materials provided by the employer	implementation of work design and implementation of work, turnkey work	20-4

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The Contractor is entitled to extend the contract term and the amount of compensation for any expenses incurred with a profit margin due to any directives issued by the Employer relating to the ruins discovered on the work site.	Archaeology	implementation of work design and implementation of work, turnkey work	24-4
	The contractor is entitled to extend the contract term and the amount of compensation for any expenses incurred with a profit margin due to any delay due to the employer or any of his representatives.	Examination	implementation of work design and implementation of work, turnkey work	4-7
The employer shall be entitled to claim any amounts for the cost of re-examination of the equipment Or damaged material or any acts of creation are rejected.		rejection	implementation of work design and implementation of work, turnkey work	5-7

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Articl e No:
The Employer shall be entitled to claim compensatory amounts from the Contractor for the repair of the Contractor's failure to perform the repair work for the work executed by him and he shall not get paid for.		Reform work	implementation of work design and implementation of work, turnkey work	7-6
	The contractor is entitled to extend the contract if the completion date is delayed for documented reasons (as indicated in paragraphs 8.2 & 10-1).	Extension of completion period	implementation of work design and implementation of work, turnkey work	8-4
	The contractor is entitled to demand the extension of the contract period if the completion date was delayed for reasons related to any actions of the authorities in the State of Works which were not foreseeable by the employer.	Delay due to authorities	implementation of work design and implementation of work, turnkey work	8-5
The Employer shall be entitled to claim any expenses incurred due to the Contractor's failure to adopt any methods of implementation to avoid delays in achieving the achievement on time without any extension.		Progress rate of work	implementation of work design and implementation of work, turnkey work	8-6

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
The employer is entitled to claim delay penalties if the contractor fails to complete the work on the due date.		Delay fines	implementation of work design and implementation of work, turnkey work	8-7
	The Contractor shall be entitled to request extension of the contract and any expenses incurred as a result of instructions issued by the Engineer to suspend the work for a period of time.	The consequences of work suspension	implementation of work design and implementation of work, turnkey work	8-9
The employer is entitled to claim any amounts if the work or part of it fails to complete the examinations upon completion		Failure to pass examinations when completed	implementation of work design and implementation of work, turnkey work	9-4
The employer is entitled to reduce the delay penalty at the cost of what that part of the works represents to the total cost of the work	The contractor is entitled to claim the amounts that he has incurred to impose a profit margin on the employer's request to receive part of the work.	Handover parts of works	implementation of work design and implementation of work,	10-2

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The contractor is entitled to extend the term of the contract and the cost of the incurred burdens with a margin profit as a result of the delay of the employer for the examinations upon completion.	Intervention in testing when completed Extension of	implementation of work design and implementation of work, turnkey work	10-3
The employer may claim the extension of the maintenance period if the works or any part thereof or any of the mechanical equipment can not be used for the purpose for which it was created due to any damages or defects that prevent it.		maintenance period (during maintenance period)	implementation of work design and implementation of work, turnkey work	11-3
The Employer shall be entitled to claim any amounts as compensation for the repair of any defects in the Works due to the Contractor's failure in case the Contractor fails to repair them.		Failure to fix defects	implementation of work design and implementation of work, turnkey work	11-4

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The Contractor shall be entitled to claim the cost of any charges incurred with a margin profit if he is directed to investigate the causes of any defects not caused by him.	The duty of the contractor to search for the reasons	implementation of work design and implementation of work, turnkey work	11-8
	The contractor is entitled to extend the contract term and the cost of the incurred burdens with a margin profit as a result of the delay of the employer for the examination upon the completion.	Delays check	Work implementation and design	12-2
	The Engineer has the right to analyze each paragraph of the work and determine the unit of measurement, price and amount	Value estimation	implementation of work	12-3
The employer is entitled to claim any amounts for the burdens incurred by the repeated failure to inspect the works after completion.		Re-examination	Work implementation and design	12-3
	The contractor is entitled to claim the profits lost as a result of cancellation of paragraphs of the quantities table according to the change order.	Cancellations	implementation of work	12-4

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
The employer is entitled to claim compensation for damages resulting from failure to perform the examination after the completion.	The Contractor shall be entitled to claim the cost of any burdens incurred with a profit margin as a result of the Employer delay in allowing the to enter into the Works and Machinery.	Failure to succeed in post-completion examinations	Design and work implementation	12-4
	The contractor is entitled to claim half of the resulting reduction in the cost of the contract as a result of redesigning the proposed design as an alternative to the design under the contract, which was approved without prior agreement to what will the cost or the size of the reduction be that will result in the amount of the original contract.	Engineering estimation	Work implementation	13-2
	The contractor is entitled to modify the contract amount as a result of the orders change .	Change procedures	implementation of work design and implementation of work, turnkey work	13-3

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
The employer shall be entitled to demand payment for any reduction in the cost of the contract resulting from any legislation in the State of Works issued after the signing of the contract.	The contractor is entitled to demand extension of the contract term and any amounts due to any changes in the legislation of the State of the Works affecting his obligation under the contract.	Amendments due to change of legislation	implementation of work design and implementation of work, turnkey work	13-7
	If the interim advances are not in line with the actual completion rates in the payments table and the completion rates are lower than those shown in the payment tables, then the amounts of the payments shall be adjusted in the payments table.	Payments table	implementation of work design and implementation of work, turnkey work	14-4
	The contractor is entitled to claim the financial benefits arising from the late payment of advances under paragraph 14.7.	Late advances	implementation of work design and implementation of work, turnkey work	14-8
Work, goods and contractor documents are evaluated after the contract is terminated by the employer.		Evaluation at the date of the contract termination	implementation of work design and implementation of work, turnkey work	15-3

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
The employer is entitled to claim compensation for loss and damage after the termination of the contract		Payment after termination of the contract	implementation of work design and implementation of work, turnkey work	15-4
	The Contractor is entitled to extend the Contract Term and any amounts with a margin profit if the Engineer fails to support the advances due to him or if the Employer fails to pay the advances due to the Contractor and the Engineer, or if he fails to prove his guarantee of the project allocations and the work shall be suspended by the contractor.	Contractor's right to suspend work	implementation of work design and implementation of work, turnkey work	16-2
	The Contractor is entitled to claim compensation for loss and damage as a result of termination of the contract by the Employer.	Payment upon termination of the contract	implementation of work design and implementation of work, turnkey work	16-4
The employer shall be entitled to claim compensation for the costs incurred by him for the causes for which caused loss due to the contractor.	The contractor is entitled to claim compensation for the costs incurred by him for the causes of the loss caused by the employer.	Fines	implementation of work design and implementation of work, turnkey work	17-1

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The contractor is entitled to extend the duration of the contract and any amounts (in some cases) a margin profit if the work, goods and contractor documents were damaged due to the employer as specified in paragraph 17.3.	The risks facing the employer	implementation of work design and implementation of work, turnkey work	17-4
The employer is entitled to claim the cost of the insurance premium if the contractor fails to activate the insurance when he is the insurer	The contractor is entitled to claim the cost of the insurance premium if the employer fails to activate the insurance when he is the insuring party.	General insurance requirements	implementation of work design and implementation of work, turnkey work	18-1
	The employer is entitled to claim a reduction in the value of the insurance premium if the contractor's insurance against the employer's risks had become unavailable on reasonable commercial terms.	Insurance of works and contractor equipment	implementation of work design and implementation of work, turnkey work	18-2

Employer Claims	Contractor Claims	The subject of the claims	The type of the contract	Article No:
	The Contractor shall be entitled to claim the extension of the term of the contract (in some cases) and the cost if force majeure prevented him from the implementation of its contractual obligations.	The consequences of force majeure	implementation of work design and implementation of work, turnkey work	19-4
	Works performed and any other costs shall be evaluated when the work is terminated for a long period due to Force majeure and after notice has been given to terminate the contract from either party.	Optional termination of the contract, payment and evacuation of performance responsibility	implementation of work design and implementation of work, turnkey work	19-6
	Procedures to be followed by the contractor when he is required to extend the contract period and / or additional costs.	Contractor Claims	implementation of work design and implementation of work, turnkey work	20-1

Terms of contract for civil engineering works for the year 1987	General Conditions of Contract under FIDIC 2006
The general conditions consist of 72 articles do not depend on the normal sequence of the contract stages.	The general conditions consist of 20 articles, the stages of implementation of the contract were gradually reviewed from the date of commencement to the end of the final Account Liquidation Indicating the obligations of both parties to the contract and the responsibility of the engineer in the management of the contract.
There are no separate materials to define the duties and rights of the two parties of the contract and the engineer, but are sporadic and without specific timing.	The general conditions included separate articles to define the duties and rights of the two parties of the contract and the jurisdictions and duties of the Engineer with clear timing to achieve those duties

Terms of contract for civil engineering works for the year 1987	General Conditions of Contract under FIDIC 2006
Timings are almost non-existent.	There are specific timelines to complete any of the events and obligations of either party of the contract and the Engineer for each stage of the contract.
Permissibility of the contract: Signature of the contract from	
the date of the letter of assignment	Contract permeability: from the date of signing the contract
The contractor is considered before submitting his bid to	The conditions provide for the employer's responsibility to
discover and investigate the site and that he himself was	provide the contractor with all data on sub-surface and
convinced of the state and nature of the site and its	hydrological conditions at the site, Including environmental
surroundings, and the means of accessing it and the means of	phenomena, including the shape and nature of the site,
livelihood that he may need, the quantities and nature of the	including soil investigations, hydrological and climatic conditions
work and the necessary materials for the implementation of	The laws in force relating to the implementation of the
the work and that he has obtained all of the necessary	contract as well as the access to the site, which had been
information concerning the risks, hedges and other conditions	obtained before the basic date
that may affect or affect the tender.	

Terms of contract for civil engineering works for the year 1987	General Conditions of Contract under FIDIC 2006	
There is no equality and almost no compensation.	There is equity in the distribution of duties and rights, the adoption of a fair principle in the compensation of any party of the contract when the second party fails of to fulfill his obligations on each stage of the implementation of the contract.	
There is no compensation for the late payment as stipulated in the following conditions: If the payment is delayed for more than thirty days due to reasons attributed to the employer or the engineer, the employer and the contractor to discuss the subject in order to agree on a solution.	The conditions included specific timing for the disbursement of payments to the contractor starting from the down payment until the liquidation of the final account and the adoption of the principle of compensation by imposing interest on the payment amount for the delay period.	

Terms of contract for civil engineering works for the year 1987	General Conditions of Contract under FIDIC 2006
Only the right of the employer	The right of the parties of the dispute to suspend the work in case of breaching of the other party's contractual obligations until the treatment of the breach.
The employer only has the right to withdraw the work and execute it at the expense of the contractor when the latter breaches the contract.	The right of the parties of the contract to terminate the contract in case the other party continues to breach the contract.
It is not applicable	Adopting the resolution of disputes Council, Appointed from the beginning of the project and until the termination of the contract, to resolve the differences that may arise due to any of the risks of the parties after the failure of the engineer to resolve the dispute

Terms of contract for civil engineering works for the year 1987	General Conditions of Contract under FIDIC 2006	
It is not applicable	The adoption of the principle of review of the prices paragraphs of the contract when there is a rise in prices in the implementation requirements and those confirmed by the contract.	
The adoption of arbitration is not binding.	Oblige the two parties of the contract to adopt the principle of arbitration instead of the courts to settle disputes in case of the Council's failure to resolve disputes.	
It is not applicable	Approving the principle of cash disbursements fully at the completion of the work for a bank guarantee of 50% for the second half.	
It is not applicable	Accreditation of a fine on the employer when payment of the interim advances to the contractor is delayed by the specified times represented by the imposition of financing expenses for each delay day after the final date of disbursement.	

Terms of contract for civil engineering works for the year 1987

**General Conditions of Contract under FIDIC 2006** 

The consequences of termination of the contract by the employer due to breach

#### Contractor:

If a surplus is achieved in favor of the contractor from the value of the contract after deducting the cost of the works carried out by the contractor prior to the withdrawal of the work and the cost of the works carried out by the employer, including administrative loading and the cost of the estimated fines, the surplus shall be returned to the state treasury. To sue the contractor for compensation.

The consequences of termination of the contract by the employer due to breach

#### Contractor:

If a surplus is achieved in favor of the contractor from the value of the contract after deducting the cost of the repair and any loss incurred by the employer as a result of terminating the contract and after paying the contractor's dues for the executed work, then it shall be paid to the contractor. If the deficit is achieved even after the confiscation of the amount of the guarantee of good implementation, it is used to sell his equipment to compensate the deficit and then pay the surplus to the contractor.

### THANK YOU



